



OLR RESEARCH REPORT

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UPDATE OF 2011-2012 ENERGY ASSISTANCE PLAN

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You asked for an update of OLR Report “2011-2012 Energy Assistance Plan” ([2011-R-0355](#)) to reflect greater-than-expected federal funds for the Connecticut Energy Assistance Program (CEAP). The previous report was a summary of the 2011-2012 CEAP plan, as approved by the Energy and Technology, Human Services, and Appropriations committees in October 2011.

SUMMARY

CEAP is a federally funded program that helps low- and moderate-income households pay their heating bills. The Department of Social Services (DSS) administers the program through the state’s 12 community action agencies. DSS projects that approximately 122,000 households will participate in the program this heating season, a 4% increase over last year’s enrollment.

The funding level for this year’s program is approximately 70% more than the Malloy administration budgeted for last fall and approximately 30% more than the legislature ultimately required the administration to plan for. (The federal funding was anticipated to be substantially less than last year’s funding, in part because, unlike last year, there are no carry-over funds. Congress also appeared likely to appropriate less for

the program this year than last.) The approved plan projected spending \$61.6 million on CEAP in the 2011-12 program year, compared to approximately \$115 million last year. The actual amount of federal Low-Income Heating and Energy Assistance Program (LIHEAP) funding the state received is \$79.5 million

The structure of the program is largely the same as in previous years. Under this year's plan, the program is available to eligible households with incomes up to 60% of the state median income. As in prior years, the plan limits the amount of liquid assets a participating household can have.

As in prior years, the plan provides three major types of benefits, with greater benefits for "vulnerable" households, i.e., those with an elderly or disabled member or young children, than non-vulnerable households. Homeowners and renters who pay their heating costs directly are eligible for a basic benefit, whether they use a deliverable fuel such as heating oil or heat with natural gas or electricity. As in prior years, the program's crisis assistance and safety net benefits are available only for households who heat with deliverable fuels. A safety net benefit is available only for households who have exhausted their crisis benefit and are in a life-threatening situation. In addition, there is a small benefit for certain low-income renters whose heat is included in their rent.

Under the plan, all of the benefits are contingent on the availability of funding. If the state anticipates that funds are in danger of running out, it reserves the right to close the program or parts of it early. If funding exceeds the amount anticipated in the plan, it authorizes DSS to take various steps, including increasing the crisis assistance or safety net benefits, providing an additional benefit for utility-heated households, and providing heating assistance to DSS-funded homeless shelters.

The plan also describes the program's schedule and how participating heating oil dealers are paid, among other things.

Under [CGS § 16-262c](#), households who heat with natural gas or electricity who (1) have arrearages in their accounts (2) are eligible and apply for CEAP are also eligible for the Matching Payment Program (MPP)(for every payment made by the household, the energy supplier will match it to reduce the arrearage). The matching payments are financed by other ratepayers.

The Malloy administration revised the 2011-2012 CEAP plan based on the increase in LIHEAP funds. These include (1) a \$140 supplemental payment to utility-heated households, (2) an additional \$400 safety net

benefit for households heating with deliverable fuel, and (3) extending the program's intake deadline from March 15 to May 1 (May 15 for utility-heated households with disconnect notices).

ELIGIBILITY

Income

The basic and crisis assistance benefits under CEAP are available for eligible households with incomes up to 60% of the state median income (i.e., up to \$51,472 for a three-person household). The income limit for the safety net benefit is 200% of the Federal Poverty Level (FPL) for vulnerable households and 150% of FPL for non-vulnerable households. The income limit for the rental assistance benefit is 150% of FPL.

Table 1 shows the income categories used in the program for one-, two-, three-, and four- person households. The income limits are higher for larger households, increasing with each additional member. For example, at the 150% of FPL level, the limit increases by \$5,730 per household member.

Table 1: Program Income Categories by Household Size

	<i>1-person Household</i>	<i>2-person Household</i>	<i>3-person household</i>	<i>4-person household</i>
100% of FPL	\$10,890	\$14,710	\$18,530	\$22,350
125% of FPL	\$13,613	\$18,388	\$23,163	\$27,938
150% of FPL	\$16,335	\$22,065	\$27,795	\$33,525
200% of FPL	\$21,780	\$29,420	\$37,060	\$44,700
60% of state median	\$31,864	\$41,668	\$51,472	\$61,276

Assets

In addition to meeting the income limits, a household generally can have no more \$7,000 in liquid assets (\$10,000 for homeowners) in order to be eligible for the program. Liquid assets include such things as bank accounts and stocks; individual retirement accounts (IRAs) held in the name of someone in the household who is at least 59 ½ years old also count as liquid assets. However, a household whose liquid assets exceed these numbers is still eligible if the excess assets plus the household's

income is less than the maximum allowable income. For example, a 2-person vulnerable household with a home and liquid assets of \$12,000 (\$2,000 in excess assets) and income of \$27,000 would still be eligible for the program because its income and excess assets are still below the maximum allowable income level for that type of household (200% of FPL or \$29,420).

Other Eligibility Criteria

The program is open to citizens and permanent legal aliens (e.g., people with “green cards”). People who are in the country on temporary visas, such as student or tourist visas, and undocumented aliens are not eligible. Applicants must supply their Social Security numbers (except for individuals not required to have a number, such as victims of human trafficking) and DSS has procedures to verify these numbers.

Individuals who knowingly misrepresent their circumstances are ineligible to receive benefits for the current program year and the two subsequent program years.

BENEFITS

Basic Benefit

CEAP provides a basic benefit to eligible households who use deliverable fuels, natural gas, or electricity for heating and pay directly for their heat. As Table 2 indicates, the benefit is higher for vulnerable than non-vulnerable households and decreases with household income. For non-vulnerable households with incomes between 151% and 200% of the FPL, and for all eligible households with incomes between 201% of FPL and 60% of state median income, the basic benefit and crisis benefit (described below) is called the Contingency Heating Assistance Program (CHAP).

Table 2: 2011-12 Basic Benefit

<i>Income</i>	<i>Utility Heat [1]</i>		<i>Deliverable Fuel</i>	
	<i>Vulnerable Household</i>	<i>Non-vulnerable Household</i>	<i>Vulnerable Household</i>	<i>Non-vulnerable Household</i>
Up to 100% of FPL	\$395	\$360	\$255	\$220
101% to 125% of FPL	\$360	\$335	\$220	\$195
126% to 150% of FPL	\$335	\$315	\$195	\$175
151% to 200% of FPL	\$315	\$240 (CHAP)	\$175	\$100 (CHAP)
201% of FPL to 60% of state median	\$100 (CHAP)	\$100 (CHAP)	\$100 (CHAP)	\$100 (CHAP)

[1] These figures reflect the \$140 utility supplement in the revised allocation plan

Crisis Benefit

As in previous years, the crisis benefit is only available for households who use deliverable fuels and who have exhausted their basic benefit. As Table 3 indicates, the benefit is higher for vulnerable than non-vulnerable households and decreases with household income. The community action agency handling the case must authorize the crisis benefit before the fuel can be delivered to the client.

Table 3: Crisis Benefit

	<i>Vulnerable Household</i>	<i>Non-vulnerable Household</i>
Up to 100% of FPL	\$530	\$495
101% to 125% of FPL	\$475	\$450
126% to 150% of FPL	\$425	\$400
151% to 200% of FPL	\$375	\$300 (CHAP)
201% of FPL to 60% of state median	\$300 (CHAP)	\$300 (CHAP)

Safety Net Benefit

The safety net benefit is only available for deliverable fuel heated CEAP households who have exhausted their crisis benefit and who are in a life-threatening situation. This is a situation where the household cannot obtain heating fuel and is either without fuel or within one week of being without fuel. The community action agency must complete a risk assessment before the benefit is provided that reviews the household's income, liquid assets, and expenditures. Non-vulnerable households are eligible to receive two \$400 benefits (only 0% - 150% FPL); vulnerable households are eligible to receive three \$400 benefits (0% - 200% FPL). Households with 200% FPL to 60% SMI are not eligible to receive a safety net benefit. Under the previously approved plan, each eligible household received one less \$400 benefit (i.e., non-vulnerable households received one \$400 benefits; vulnerable households received two \$400 benefits).

Rental Assistance Benefit

Renters whose household income is up to 150% of FPL and whose heating costs are included in their rent are also eligible for CEAP assistance if their rent is more than 30% of their gross income. The benefit is \$20 for households with incomes up to 100% of FPL, \$15 for those with incomes between 101% and 125% of FPL, and \$10 for those with incomes between 126% and 150% of FPL.

OTHER PROVISIONS

November 15, 2012 was the first day for authorization of fuel deliveries under the program. May 1 is the last day a household can apply to establish its eligibility for the program and the last day for fuel authorization. And May 15 is the final day utility-heated households with disconnect notices can apply. May 31, 2012 is the last day to submit deliverable fuel bills.

In addition to the heating benefits described above, households that participate in the Supplemental Nutrition Assistance Program (SNAP, formerly called food stamps) get a \$1 cash benefit. Under federal law, this qualifies the household to have its standard utility allowance recalculated under this program, which usually will increase its SNAP benefit.

Heating oil and other deliverable fuel dealers can choose to participate in CEAP. Participating heating oil dealers receive the New Haven Rack Average OPIS Price, which reflects the wholesale cost of oil plus 31 cents per gallon, plus a transportation differential. The transportation differential varies by county and ranges from 1.7 cents per gallon in New Haven County to 7 cents per gallon in Windham County.

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